

Fragment

‘Institution’ by Walton H. Hamilton

GEOFFREY M. HODGSON

The Business School, University of Hertfordshire, UK

Editorial Introduction

After Thorstein Veblen, Wesley Mitchell, and John R. Commons, Walton H. Hamilton (1881–1958) was one of the leading figures in American institutional economics in the interwar period (Rutherford, 2000, 2001, 2003). Indeed, Hamilton (1916: 863 n.) originally coined the very term ‘institutional economics’. He announced its existence and defined its essential outlook at the annual meeting of the American Economic Association in December 1918 (Hamilton, 1919). Institutional economics then emerged in America as a broad movement, attracting support from a large number of leading economists. Significantly, ‘Hamilton should be credited with having played the role of chief promoter’ (Dorfman, 1974: 28).

Hamilton obtained his Ph.D. at the University of Michigan in 1913. He taught briefly at Michigan and Chicago, and then moved to Amherst College in Massachusetts. There he became a friend and colleague of Clarence Ayres. Among their students was the young Talcott Parsons (Camic, 1992). In 1923 Hamilton joined the newly established Robert Brookings Graduate School of Economics and Business. He subsequently joined the School of Law at Yale University, where he remained until 1948. Hamilton’s contributions to economics are diverse. Some are of a theoretical nature. He also devoted much of his energy to the development of industrial and competition policy.

The essay below is taken from an encyclopaedia entry and constitutes one of the classic statements on the nature of institutions (Hamilton, 1932). It is here reprinted in its entirety. (The numbers in square brackets indicate the transition from one page to another in the original.)

Hamilton adopts a broad definition of an institution, encompassing organizations as well as other social structures. Although, at least by the standard of the times, this is a relatively rich account of the character of an institution, it lacks a clear and precise definition. Hamilton associates an institution with ‘a way of thought or action of some prevalence and permanence’. However, contrary to Tony Lawson (1997: 317), it is not obvious that Hamilton is *defining* an institution in these terms. If he were, then he would be subject to Lawson’s criticism that

the phenomenon cannot be defined in terms of the behaviour it produces, because if so it would fail to provide a causal account of the origins of this behaviour.

On the other hand, Hamilton also says that institutions 'impose form upon the activities of human beings'. He refers to institutions imposing 'sanctions' and 'penalties' and refers to 'standards of conformity from which an individual may depart only at his peril'. Such statements are closer to modern definitions of institutions as rule-like structures or systems of effective social rules (Ostrom, 1986; North, 1990; Knight, 1992; Searle, 2005; Hodgson, forthcoming).

Hamilton also devotes some attention to the origin of institutions and importantly emphasizes that institutions often depend on, and interact with, one another. He writes on institutional inertia, ceremonialism, and ossification. Today these remain pressing questions for the modern researcher on institutional evolution. Hamilton does not make the mistake of assuming that all institutions are the result of conscious design. He is fully aware that many institutions are 'never created by design or cut to a blue print'. Often ideological rationalizations for their existence are constructed after the event. However, Hamilton's recognition of undesigned institutions did not prevent him from recommending interventionist industrial policies and other measures of state involvement in the economy.

Hamilton's broad notion of an institution covers a wide variety of social entities. Definitions by other authors have a similarly expansive scope. The question arises of how we distinguish between different kinds of institution, and understand different mechanisms of institutional operation and replication. This remains an important research question for today.

Finally, and interestingly, Hamilton upholds that the study of institutions has to renounce the 'analogy with a biological organism' before it can become fruitful. This contrasts with the direct appropriation of Darwinian evolutionary concepts in the study of institutional change by several prominent predecessors, such as Thorstein Veblen (1899, 1919) and Albert Keller (1915). Hamilton was, following a strong interwar drift of opinion in the social sciences, against biological analogies and the borrowing of evolutionary concepts from biology (Degler, 1991). This sea change profoundly affected American institutionalism (Hodgson, 2004).

Today the intellectual context is quite different, with a strong rehabilitation of some biological ideas in the social sciences. Nevertheless, we can still study Hamilton's rich account of the nature of institutions with considerable benefit. In this vein, the *Journal of Institutional Economics* welcomes further contributions that will advance our understanding of this central phenomenon of human life.

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Institution (1932)

WALTON H. HAMILTON

INSTITUTION is a verbal symbol which for want of a better describes a cluster of social usages. It connotes a way of thought or action of some prevalence and permanence, which is embedded in the habits of a group or the customs of a people. In ordinary speech it is another word for procedure, convention or arrangement; in the language of books it is the singular of which the mores or the

folkways are the plural. Institutions fix the confines of and impose form upon the activities of human beings. The world of use and wont, to which imperfectly we accommodate our lives, is a tangled and unbroken web of institutions.

The range of institutions is as wide as the interests of mankind. Any simple thing we observe – a coin, a time table, a canceled check, a baseball score, a phonograph record – has little significance in itself; the meaning it imparts comes from the ideas, values and habits established about it. Any informal body of usage – the common law, athletics, the higher learning, literary criticism, the moral code is an institution in that it lends sanctions, imposes taboos and lords it over some human concern. Any formal organization – the government, the church, the university, the corporation, the trade union – imposes commands, assesses penalties and exercises authority over its members. Arrangements as diverse as the money economy, classical education, the chain store, fundamentalism and democracy are institutions. They may be rigid or flexible in their structures, exacting or lenient in their demands; but alike they constitute standards of conformity from which an individual may depart only at his peril. About every urge of mankind an institution grows up; the expression of every taste and capacity is crowded into an institutional mold.

Our culture is a synthesis – or at least an aggregation – of institutions, each of which has its own domain and its distinctive office. The function of each is to set a pattern of behavior and to fix a zone of tolerance for an activity or a complement of activities. Etiquette decrees the rituals which must be observed in all polite intercourse. Education provides the civilizing exposures through which the potential capacities of individuals are developed into the abilities for performance, appreciation and enjoyment which are personality. Marriage gives propriety to the sex union, bestows regularity upon procreation, establishes the structure of the family and effects such a mediation as may be between personal ambition and social stability. A number of institutions may combine and compete to impress character upon and give direction to the mass of human endeavor. The state claims primary obedience and imposes a crude order upon the doings of mankind; the law by punishing offenses and settling disputes determines the outmost limits of acceptable actions; morality with neater distinctions and more meticulous standards distinguishes respectable from unconventional conduct. The community is made up of such overlapping provinces of social government. It is the institution in its role of organizer which makes of this a social and not a monadic world.

It is impossible to discover for such an organic complex of usages as an institution a legitimate origin. Its nucleus may lie in an accidental, an arbitrary or a conscious action. A man – savage or civilized – strikes a spark from flint, upturns the sod, makes an image of mud, brews a concoction, mumbles a rigmarole, decides a quarrel or helps himself to what he may require. The act is repeated, then multiplied; ideas, formulae, sanctions and habits from the impinging culture get attached; and gradually there develops a ritual of fire, a hoe and spade

agronomy, a ceremonial for appeasing the gods, a cult of healing, a spell for casting out devils, a due process of law or a sound business policy. Even if it is deliberately established an institution has neither a definite beginning, nor an uncompromised identity. A religious creed or a legislative statute is compounded of beliefs and ideas which bear the mark of age and of wear; a paper charter and a document engrossed upon parchment are not insulated against the novelties in usage which attend the going corporation and the living constitution. It is impossible even in the most rudimentary culture to find folkways which are simple and direct answers to social necessities. In all societies, however forward or backward, the roots of the most elementary of arrangements – barter, burial, worship, the dietary, the work life, the sex union – run far back into the unknown past and embody the knowledge and ignorance, the hopes and fears, of a people.

In fact as an aspect of a continuous social process an institution has no origin apart from its development. It emerges from the impact of novel circumstances upon ancient custom; it is transformed into a different group of usages by cultural change. In institutional growth the usual may give way to the unusual so gradually as to be almost unnoticed. At any moment the familiar seems the obvious; the unfamiliar appears but a little revealed – an implication in a [84/85] convention which is itself taken for granted, a potentiality slowly quickening into life. So it is that the corporation is still a person, the work of the machine is manufacture, the labor contract concerns masters and servants and industrial accidents are personal wrongs. It often happens that new arrangements spring up under the cloak of an established organization. Thus the empire of the Caesars emerged behind the forms of the republic, the holy Catholic church is nominally the episcopal see of Rome and the British Commonwealth does its business in the name of His Majesty. In like manner in the domain of ideas the novelty in doctrine usually appears as a gloss upon the ancient text; systems of theology are commentaries upon the words of Scripture; Coke and Cooley set down their own understanding of the law upon the authority of Littleton and Blackstone. Thus too so intangible a thing as a social theory or a public policy may emerge from the practical commitments of the moment. A mere expediency, such as the abolition of the corn laws, is abstracted from cause and occasion and becomes a generalized policy of free trade; or a comprehensive scheme of railway regulation, such as obtains in the United States, appears as a by-product of the empirical elimination of specific abuses. In the course of events the fact arrives before the word and new wine must be put up in old bottles. Novelties win a tacit acceptance before their strangeness is noticed and compel before their actuality is appreciated. In institutional life current realities are usually to be found behind ancient forms.

As an institution develops within a culture it responds to changes in prevailing sense and reason. A history of the interpretation of Aristotle or St. Paul or Kant at various periods indicates how easily a document lends itself to successive systems of ideas. The public regulation of business has consistently even if

belatedly reflected the prevailing winds of doctrine upon the relation of the state to industry. The pages of the law reports reveal the ingenuity with which, in spite of professions that the law remains the same, old rules and standards are remade to serve changing notions of social necessity. An institution which has enjoyed long life has managed to make itself at home in many systems of thought. The classic example is the Christian Gospel. The simple story of the man Jesus presently became a body of Pauline philosophy; the Middle Ages converted it into an intricate theological system and the rationalization of a powerful ecclesiastical empire; at the individualistic touch of the Reformation it became a doctrine of the personal relationship between man and his maker; it is today patching up a truce with Darwinism, the scientific attitude, relativity and even religious skepticism. In this continuous process of the adaptation of usage and arrangement to intellectual environment an active role is assumed by that body of ideas taken for granted which is called common sense. Because it determines the climate of opinion within which all others must live it is the dominant institution in a society.

In an even broader way an institution is accommodated to the folkways of a culture. As circumstances impel and changing ideas permit, a usage in high esteem, like piracy, may fall from grace; while another under taboo, such as birth control, may first win tolerance and in time general acceptance. As one social system passes into another and the manner of living and the values of life are transformed, one institution gives way to another better adapted to the times. It required a number of changes in use and wont to convert the ordeal by combat into the trial by law; the prestige of the family tie, of blood vengeance, of the magical ritual and of might made right had to decline and a consciousness of the waste and injustice which attended legalized conflict had to become prevalent. An institution that survives, such as matrimony, responds surely even if stubbornly to cultural change. While the basis of Christian marriage is no more than the primitive custom of monogamy, the rigid lines of the institution bear the marks of the mediaeval order. It gave support to the caste system resting upon landed property, elevated the social values of family above the individual values of love, was blessed with the ascetic ideal of otherworldliness and became a sacrament. Companionate marriage is emerging from a different world of fact, appreciation, habit and belief. It reduces to usage an attempt to escape the rigors of matrimony without resort to casual relationships; it reflects the condition of an urban society where blood is no longer blue, life is impersonal, children are a luxury and women must earn their own livings. In a culture which develops slowly enough to allow a graceful accommodation folkways may be drawn together into rich and intricate institutional patterns. In the Middle Ages the usages of the church – the trinity, the creed, the litany, the ecclesiastical empire – were all fused into a single conventional whole, to which unity was given by the idea of the death of the god as a vicarious atonement. In [85/86] the late eighteenth century politics, law, economics, ethics and theology in separate domains alike attempted to

superimpose a symmetrical system of mechanical principles upon the mass of human behavior; the common element was an analogue borrowed from physical science. In the social process the life of an institution depends upon its capacity for adaptation. But always amid the whirl of change elements of disorder are present; and long before a harmony is achieved between unlike conventions disintegration has set in.

Nor is an institution introduced from an alien society immune to this process of development. The act of borrowing merely gives the opportunity for its transformation. The nucleus is liberated from its cultural matrix and takes on the character of the usages among which it is set down. In their native habitat the books of the Old Testament were the literature of a people; in the strange world of the mediaeval schoolmen they became a collection of verses inviting dialectical exposition. In England 'the higher law' was invoked to justify a popular revolution against an irresponsible monarchy; in America it has become the sanction for a judicial review of legislative acts. In appropriating the machine process Russia stripped away the enveloping business arrangements and made of it an instrument to serve a national social economy. The act of transplantation may at first retard but eventually is likely to promote growth. It introduces into a culture an unknown usage but allows it to emerge as an indigenous institution.

Its very flexibility makes an institution a creature of social stress and strain. In a stable or slowly changing society it fits rather neatly into the cultural pattern; amid the disorder which change brings its office may be compromised by the inflexibility of its structure. As necessity changes, tradition and inertia may stand in the way of the performance of new duties. A group of usages, for all the new demands upon it, may never quite escape slavery to its past. The shadow of ordeal by combat still hangs heavy over trial by law; the jury decides the contest, the judge is the umpire, the procedures are the rules of the game, the witnesses are clansmen armed with oaths and the attorneys are the champions; an appeal court orders a new trial not primarily for want of justice but because of error in the conduct of the ordeal. The United States Supreme Court has come to be the official interpreter of the constitution; yet by tradition its function is judicial, and it is only as an issue is germane to the disposition of a case that it can declare the meaning of the higher law. Almost every institution – from the superfluous buttons on the sleeve of a coat to the ceremonial electors in a presidential contest – bears the vestigial mark of a usage which is gone.

But its elements of stability may be powerless to prevent the conversion of an institution to a service for which it was never intended. Its existence and repute give it value; it may adventitiously or by design assume a new character and play a new role in the social order. Equity, once an informal method of doing justice, now possesses all the appurtenances of a system of law. The principle of 'no liability without fault' was once the basis of an individualistic law of torts; in our times the rules of recovery are being socialized, as, for example,

in workmen's compensation, by a mere extension of 'fault' to acts involving no personal blame. An institution may even fall into the hands of the enemy and be used to defeat its reputed purpose. Thus a community of ascetics develops into a wealthy monastic establishment; a theory of social contract invented as a justification of monarchy is converted into a sanction for its overthrow; a party dedicated to personal freedom becomes the champion of vested wealth; and a philosophy contrived to liberate thought remains to enslave it. As time and chance present their problems, men meet them with expediciencies as best they can; but those who contrive rules and formulae cannot control the uses to which they are put. The proneness of an institution, like a lost sheep, to go astray, has been caught in the sentence: 'Saint Francis of Assisi set out to bring people to sweetness and light, and left in his wake a plague of gray friars.' The folkways are marked by a disposition of event to belie intent.

In the course of time the function of an institution may be compromised by or perhaps even be lost in its establishment. The spirit may become the letter, and the vision may be lost in a ritual of conformity. In time a way of intellectual inquiry may become a mere keeping of the faith; a nice propriety in social relations may decay into a code of etiquette; or a morality intended to point the way toward the good life may come to impose the duty of doing right. Thus ceremonial replaces purposive action and claims a vicarious obedience. The existence of an informal institution gets buttressed about by prevailing opinion and by personal interest. In legislative 'deliberation' statesmen cherish their stock in trade of time honored argument and resent the [86/97] appearance of unfamiliar issues; scholars of repute defend the established ways of inquiry and the accepted verities; and social lights conserving the older proprieties against feminism 'entrench themselves behind their tea-cups and defend their frontiers to the last calling-card.' The persons immediately concerned have their stakes in arrangements as they are and do not wish to have personal position, comfort of mind or social prestige disturbed. As it crystallizes into reputable usages an institution creates in its defense vested interest, vested habit and vested ideas and claims allegiance in its own right.

If an institution becomes formal, an even greater hazard to its integrity is to be found in its organization and its personnel. A need for order finds expression in a government or the demand for justice in a legal system or the desire for worship in a church; and various groups become interested in its structure and offices, its procedures and emoluments, its ceremonials and consolations. A host of officials great and small comes into being, who are as solicitous about the maintenance of the establishment to which they are committed. They possess preferences and prejudices, are not immune to considerations of prestige and place and are able to rationalize their own interests. As the scheme of arrangements grows rigid, 'the good of the nation' – or the church or the party or the lodge or whatever it is – tends to become dominant. The lines of activity may be frozen into rigidity and ecclesiasticism, legalism, constitutionalism and ritualism remain as fetishes

to be served. An institution when once accepted represents the answer to a social problem. In the maze of advantage, accommodation, sense and reason, which grows up about it lies a barrier to the consideration of alternatives. Its successor for better or for worse is likely to prevail only through revolution or by stealth.

In its ideal likeness an institution usually creates its apology. As long as it remains vital, men accommodate their actions to its detailed arrangements with little bother about its inherent nature or cosmic purpose. As it begins to give way or is seriously challenged, compelling arguments for its existence are set forth. The picture-as-it-is-painted is likely to be rather a work of art than a representation of fact, a product rather of rationalization than of reason; and, however adventitious its growth, disorderly its structure or confused its function, the lines of its defense lack nothing of trimness and purpose. The feudal regime was an empirical sort of an affair; men of iron lorded it over underlings as they could, yielded to their betters as they were compelled and maintained such law and order as the times allowed; but with its passing its sprawling arrangements and befuddled functions were turned into office and estate ordained of God. In the days of the Tudors kings were kings without any dialectical to-do about it; the overneat statement of the theory of divine right had to await the decadent monarchy of the Stuarts. The tangled thing called capitalism was never created by design or cut to a blue print; but now that it is here, contemporary schoolmen have intellectualized it into a purposive and self-regulating instrument of general welfare. If it is to be replaced by a 'functional society,' the new order will emerge blunderingly enough; but acquisition of a clean cut structure and clearly defined purpose will have to wait upon its rationalizers. An assumption of uniformity underlies all apologies; invariably they impose simple, abstract names, such as monarchy, democracy, competition and socialism, upon a mass of divergent arrangements.

In this endowment with neatness and purpose an institution is fitted out with the sanctions and trappings of ancient usage. Republican government harks back to Greece and Rome; the 'liberties' for which seventeenth century Englishmen fought were the ancient rights of man. Magna Carta, a feudal document, was remade to serve the cause of Parliament against king; a primitive folk government was discovered in the dim twilight of the German forests to give to English democracy a fountainhead which was neither French nor American; and 'the spirit of 76' grew up long after the event to serve the patriotism of another century. In the courts it is a poor rule which cannot find a good reason in former decisions and fit itself out with an ancient lineage. But law does not invoke the sanction of precedent more often than other institutions; the openness of its written records merely makes more evident the essential process. A succession of usages stretching from Aristotle to Calhoun has been justified as expressions of the natural order. Even – or above all – in the church the prevailing dogma is set down as interpretations of the creed of the apostles; and Christian marriage

'was instituted by God in the time of man's innocency.' As tradition leaves its impress upon fact, fact helps to remake tradition. The thing that is is the thing that always was.

It is only as stability gives way to change that the lines of an institution stand out in sharp relief [87/88]. So long as a people is able to do as its fathers did it manifests little curiosity about the arrangements under which it lives and works; the folk of the South Sea Islands can administer justice after their ways, but they can neither give answers to hypothetical cases nor tell in abstract terms what they do. So long as the procedure of a group or a school is unquestioned it is little aware of the conventions and values which give character even to outstanding achievement: Scott had little conscious appreciation of the distinctive qualities of the English novel; Jowett could never have put in terms the peculiar features of Oxford education; and Kant might not have been able to place his own philosophy in time and opinion. But the break of usage from usage within a culture and the resulting maladjustment lead to a discovery of the detail which makes up an institution. A number of crises were required to reveal the customs which are the British constitution; it took a Civil War to make clear the nature of the union between the American states. The appearance of social unrest was essential to an appreciation of the difference between competition and *laissez faire* and between industry and business. An aesthetic revolt marked by a riding into almost all the winds that blow was requisite to a realization of the distinctive modes and values in classical music and in Gothic architecture and to an appreciation of the molds imposed by acceptable form upon creative effort. For such casual glimpses of the intricacies of social institutions as men are permitted to see they are indebted to the stress and strain of transition.

It follows almost of course that institutional development drives a fault line between current fact and prevailing opinion. Men see with their ideas as well as with their eyes and crowd the novel life about them into outmoded concepts. They meet events with the wisdom they already possess, and that wisdom belongs to the past and is a product of a by-gone experience. As new institutions gradually emerge from the old, men persist in dealing with the unfamiliar as if it were the familiar. A national legislature by the enactment of antitrust laws tries to superimpose the competitive pattern upon the turbulent forces of a rising industrialism; a trade union uses the traditional device of a strike to advance wages in an industry in which the unorganized plants can easily supply the total output; a group of elder statesmen approaches the problems of war debts and reparations with the old formula of protection versus free trade. At a time when a depression bears witness to economic disorder the institution of business is discussed in the outgrown vocabulary of private property, liberty of contract, equality of opportunity and free enterprise; and rugged American individualism is invoked as a way of order for a system which has somehow become an uncontrolled and unacknowledged collectivism. Even the Protestants as often as not turn belief into denial; and heresy shackled to an inherited ideology is merely

a reverse orthodoxy. In the flux of modern life the various usages which with their conflicting values converge upon the individual create difficult problems that demand judgment; and in the course of very human events it is the fate alike of individual, group and society to have to meet emerging fact with obsolescing idea.

Thus an institution like the living thing it is has a tangled identity. It cannot be shown in perspective, or revealed in detail by the logical method of inclusion and exclusion. It holds within its actuality the vestiges of design and accident, the stuff of idea and custom, from many ages, societies, civilizations and climates of opinion. In any important group of institutions, such as marriage property, the market or the law, there are to be discovered as inseparable aspects of an organic whole notions, procedures, sanctions and values hailing from cultural points far apart. Each holds within its being elements in idea and in form drawn from the contemporary era of relativity, the rational universe of the eighteenth century, the mediaeval world of absolutes and verities and the folkways of some dim far off era. An institution is an aspect of all that it has met, a potential part of all that it will encounter. It holds many unknown possibilities which a suitable occasion may kindle into life. It may continue to hold sanctions which we think have departed; it may already have come to possess compulsions of which we are still unmindful. The discovery of its meaning demands an inquiry into its life history; but even the genetic method will tell much less than we should like to know of how a thing which cannot for long abide came to be.

Moreover the way of knowledge is itself an institution. The physical world, natural resources and human nature may be elementary things; but we can learn about them only in terms of and to the extent allowed by our prevailing methods of inquiry. The little we understand of the universe is a function of the size of the telescope, the sensitiveness of the photographic plate and the bundle of intellectual [88/89] usages called astronomy. Our natural resources are a product of technology, and their catalogues at different times reflect the contemporary states of the industrial arts. It was the steam engine and the machine which made of coal and iron potential wealth; it was not until Faraday and Edison had done their work that electricity became potential energy. The little we understand or think we understand about human nature is an institutional product. The inquiries called physiology, anatomy and neurology – each of them a bundle of intellectual usages – reveal no more than the raw material of personal character; the stuff has ripened into individuality within the matrix of the prevailing folkways. Man and woman are so much creatures of custom and belief that the word innate is most treacherously applied to masculine and feminine traits. In various societies the stages upon which peoples must play their parts are set so differently by social heritage that we can as yet speak with little certainty about racial characteristics. The physical world and the human nature we know are aspects of the prevailing state of culture. In matter and in

the chromosome may lie limitless possibilities; the actualities which appear are creatures of social institutions.

Among the ways of knowing is 'the institutional approach.' Institutes as the ordained principles of a realm of learning, or of life have long existed; they are known to theology, law, education and all subjects ruled over by dialectic. About the turn of the last century a genetic study of the folkways, began to win academic respectability. It could make little headway so long as the Newtonian concept was dominant; inquirers went in search of laws and uniformities, explanations were set down in mechanical formulae and the end of the quest was an articulate and symmetrical body of truths. The institutional method had to wait until the idea of development was incorporated into academic thought and the mind of the inquirer became resigned to the inconsistency which attends growth. The analogy with a biological organism had to be renounced and a basis in ideology had to be discovered before it could become a fruitful method of study in economics, history, philosophy, law and politics. The practical impulse toward its use came with a change in public opinion; so long as laissez faire dominated our minds, dialectic served well enough to turn out explanatory apologies for the existing social arrangements; when we began to demand that order and direction be imposed upon an unruly society, a genetic study of how its constituent usages had grown up into an empirical organization seemed proper. An inquiry into institutions may supply the analytical knowledge essential to a program of social control or it may do no more than set adventures for idle curiosity. In either event the study of institutions rests itself upon an institution.

Accordingly an institution is an imperfect agent of order and of purpose in a developing culture. Intent and chance alike share in its creation; it imposes its pattern of conduct upon the activities of men and its compulsion upon the course of unanticipated events. Its identity through the impact of idea upon circumstance and the rebound of circumstance upon idea is forever being remade. It performs in the social economy a none too clearly defined office – a performance compromised by the maintenance of its own existence, by the interests of its personnel, by the diversion to alien purpose which the adventitious march of time brings. It may like any creation of man be taken into bondage by the power it was designed to control. It is a folkway, always new yet ever old, directive and responsive a spur to and a check upon change, a creature of means and a master of ends. It is in social organization an instrument, a challenge and a hazard; in its wake come order and disorder, fulfillment, aimlessness and frustration. The arrangements of community life alike set the stage for and take up the shock of what man does and what he leaves undone. Institutions and human actions, complements and antitheses, are forever remaking each other in the endless drama of the social process.